GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:1933
ANSWERED ON:15.12.2003
PLANTATION WORKERS
MINATI SEN

Will the Minister of LABOUR be pleased to state:

(a) whether the Government had set up an Inter-Ministerial Group to look into various issues plaguing the plantation sector in India;

(b) if so, the details thereof;

(c) whether the Group has given its recommendation about sharing of social cost between the Union Government, the State Government and the plantation sector; and

(d) if so, the details thereof and the action taken thereon?

Answer

MINISTER OF LABOUR (SHRI SAHIB SINGH VERMA)

(a) & (b): The Government constituted an inter-ministerial committee to look into the various issues concerning the plantation sector. The terms of reference of the committee are in the annexure.

(c) & (d): The inter ministerial committee has recommended that the Central Government, the State Governments and the plantation industry should bear the social and infrastructure cost under the Plantations Labour Act, 1951 in the proportion of 40:10:50 respectively. The report of the committee has been circulated to all concerned.

Annexure

Annexure referred to in part (a) and (b) of Lok Sabha Unstarred Question No. 1933 to be replied on 15.12.2003 regarding Plantation Workers.

Terms of reference of the inter-ministerial Committee on plantation sector.

The terms of reference for the Committee was as under:

(a) In the context of increased cost of production of tea and lower price realisation from the auction system whether without diluting the statutory responsibilities under the Plantations labour Act, 1951 , it would be possible to allocate social sector funds for the plantation sector through earmarking funds from the social sector Ministries and State Governments, including panchayats for primary health, education roads, water and sanitation in the plantation areas

(b) The policy of imports of tea for re-exports and the problems which Indian tea industry faced by way of imports of poor quality tea for re-export needed further examination. In this context, the suggestion for a moratorium of the Tea Marketing Control Order, 1984 for a year also required consideration.

(c) The existing taxation structure for the plantation industry which was stated to be adverse to the industry need to be examined, particularly in the context of dual tax which the plantation sector had to pay by way of both high agricultural income to the State Governments and high Excise Duty to the Central Government.

(d) The issue of price determination in the auction system also required examination, particularly in the context of the various intermediaries that were involved in the tea auction system and the manner in which the auction prices were stated to have been kept artificially low as compared to the retail prices of tea.

(e) The modalities of remitting the Provident Fund dues of workers to be worked out after discussing the matter with the employers and the workers representatives to arrive at an amicable solution to the problem.